

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 1 — 0 2 2

2. STATE:

Iowa

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2001

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

Sections 1903(1) and (a) and 1920 of the Act

7. FEDERAL BUDGET IMPACT:

a. FFY 01 \$ 0
b. FFY 02 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, pages 1, 2, and 2a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Attachment 4.19-B, page 1 (MS-01-14),
and pages 2 and 2a (MS-00-21)

10. SUBJECT OF AMENDMENT:

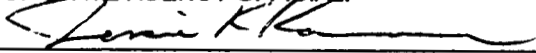
Adjustment to reimbursement rates for noninstitutional providers

11. GOVERNOR'S REVIEW (Check One):

- ☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Jessie K. Rasmussen

14. TITLE:

Director

15. DATE SUBMITTED:

September 5, 2001 9-5-01

16. RETURN TO:

Director
Department of Human Services
Hoover State Office Building
Des Moines, IA 50319-0114

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

09/10/01

18. DATE APPROVED:

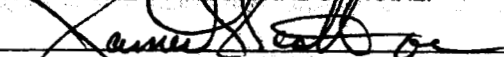
NOV 08 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JUL 01 2001

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Nanette Foster Reilly

22. TITLE:

Acting ARA for Medicaid & State Operations

23. REMARKS:

cc:
Rasmussen
Anderson
CO

SPA CONTROL

Date Submitted: 09/05/01

Date Received: 09/10/01

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Methods and Standards for Establishing Payment Rates for Other Types of Care

The following services are reimbursed on the basis of a fee schedule established by the Department following negotiations with representatives of the provider group involved plus periodic percentage adjustments.

Ambulance services	Family and pediatric nurse	Physical therapists in
Area education agencies	practitioners	independent practice
Audiologists	Family planning centers	Physicians
Birth centers	Hearing aid dispensers	Podiatrists
Chiropractors	Infant and toddler programs	Psychologists
Clinics	Lead investigation agencies	Screening centers (EPSDT)
Community mental health	Local education agencies	Transportation to receive
centers	Nurse midwives	necessary medical care
Dentists	Opticians	
Durable medical equipment,	Optometrists	
prosthetics and orthotics,	Orthopedic shoe dealers	
and sick room supplies		

Ambulatory Surgical Centers and Independent Laboratories

The basis of payment for ambulatory surgical centers is a fee schedule, as determined by Medicare, minus 3% of the fee in effect on June 30, 2001. The basis for payment for independent laboratories is a fee schedule, as determined by Medicare.

Home Health Agencies and Rehabilitation Agencies

The basis of payment for home health agencies and rehabilitation agencies is reasonable cost on a retrospective basis minus 3%. EPSDT private duty nursing and personal care services provided by a home health agency are reimbursed on an hourly basis using an interim fee schedule established by the Department. Vaccines for Children (VFC) is reimbursed on a vaccine administration interim fee schedule based on the physician fee schedule. EPSDT private duty nursing and personal care services and VFC services are retrospectively cost-settled.

Maternal Health Centers

The basis of payment for maternal health centers is reasonable cost on a prospective basis, as determined by the Department based on financial and statistical information submitted by the provider.

State Plan TN #	<u>MS-01-22</u>	Effective	<u>JUL 01 2001</u>
Supersedes TN #	<u>MS-01-14</u>	Approved	<u>NOV</u>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Methods and Standards for Establishing Payment Rates for Other Types of CareClinic Services

The basis of payment for clinics is fee schedule based on the physician and dentist fee schedule. The basis of payment for free-standing renal dialysis clinics is a fee schedule based on professional recommendations and Departmental review.

Certified Registered Nurse Anesthetists (CRNAs)

Reimbursement for CRNA services is made using the HCFA fee schedule (CPT-4) anesthesiology procedure list and associated base units. When the CRNA receives medical direction from the surgeon, reimbursement to the CRNA is 80% of the amount which would be paid to an anesthesiologists (MD or DO). When the CRNA receives medical direction from an anesthesiologist, reimbursement to the CRNA is 60% of what an anesthesiologist would receive for the same procedure.

Adjustment of Payment Rates

Reimbursement changes effective July 1, 2001, include:

- ◆ A decrease of 3% over the June 30, 2001, rates for hospital services.
- ◆ Home health agency providers, including HCBS waiver home health providers, will return to the cost-based Medicare rate minus 3%.
- ◆ A decrease of 3% over the June 30, 2001, rates for the following providers and services:
 - Ambulance
 - Birth centers
 - Certified registered nurse anesthetists
 - Community mental health centers
 - Dentists
 - Durable medical equipment, prosthetics, orthotics, and sickroom supplies
 - Family planning clinics
 - Hearing aid dispensers
 - Lead inspection agencies
 - Maternal health centers
 - Opticians
 - Orthopedic shoe dealers
 - Rehabilitation agencies
 - Screening centers

State Plan TN No. MS-01-22Supersedes TN No. MS-00-21

Effective

Approved

JUL 01 2001NOV 08 2001

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Methods and Standards for Establishing Payment Rates for Other Types of CareAdjustment of Payment Rates (Cont.)

Reimbursement changes effective July 1, 2001, decrease the rate in effect on July 1, 2001, under the Iowa Medicaid fee schedule established using the resource-based relative value scale (RBRVS) methodology by 3% of the rate in effect on June 30, 2001, for the following providers:

- Audiologists
- Chiropractors
- Clinics
- Family and pediatric nurse practitioners
- Nurse midwives
- Optometrists
- Physical therapists
- Physicians (MD and DO)
- Podiatrists
- Psychologists

Psychiatric Institutions for Children

Inpatient services provided by psychiatric medical institutions for children are reimbursed on the basis of actual cost as established under the Department's purchase of service system. Effective July 1, 2000, psychiatric medical institutions for children will be reimbursed on per diem rates for actual costs on June 30, 2000, not to exceed \$147.20 a day.

Outpatient day treatment services provided by a psychiatric medical institution for children are reimbursed on a per diem basis minus 3% of the rate in effect on June 30, 2001, effective July 1, 2001.

State Plan TN No. MS-01-22Supersedes TN No. MS-00-21

Effective

Approved

JUL 01 2001NOV 01 2001